

#### Members

Sen. Patricia Miller, Chairperson  
Sen. Greg Server  
Sen. Ron Alting  
Sen. Beverly Gard  
Sen. Steve Johnson  
Sen. Connie Lawson  
Sen. Marvin Riegsecker  
Sen. Allie Craycraft  
Sen. Billie Breaux  
Sen. Earline Rogers  
Sen. Vi Simpson  
Rep. Charlie Brown, Vice-Chairperson  
Rep. Brian Hasler  
Rep. William Crawford  
Rep. Susan Crosby  
Rep. John Day  
Rep. Win Moses  
Rep. Scott Pelath  
Rep. Peggy Welch  
Rep. Vaneta Becker  
Rep. Timothy Brown  
Rep. Mary Kay Budak  
Rep. Gary Dillon  
Rep. David Frizzell  
Rep. Gloria Goeglein



## HEALTH FINANCE COMMISSION

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Authority: IC 2-5-23

### MEETING MINUTES<sup>1</sup>

Meeting Date: October 24, 2001  
Meeting Time: 1:00 P.M.  
Meeting Place: State House, 200 W. Washington St.,  
Room 233  
Meeting City: Indianapolis, Indiana  
Meeting Number: 4

**Members Present:** Sen. Patricia Miller, Chairperson; Sen. Greg Server; Sen. Ron Alting; Sen. Beverly Gard; Sen. Steve Johnson; Sen. Connie Lawson; Sen. Marvin Riegsecker; Sen. Allie Craycraft; Sen. Billie Breaux; Rep. Charlie Brown, Vice-Chairperson; Rep. William Crawford; Rep. Susan Crosby; Rep. John Day; Rep. Scott Pelath; Rep. Peggy Welch; Rep. Vaneta Becker; Rep. Mary Kay Budak; Rep. Gary Dillon; Rep. David Frizzell.

**Members Absent:** Sen. Earline Rogers; Sen. Vi Simpson; Rep. Brian Hasler; Rep. Win Moses; Rep. Timothy Brown; Rep. Gloria Goeglein.

Sen. Patricia Miller, Chairperson, called the fourth meeting of the Health Finance Commission to order at about 1:10 p.m. She informed the members that 13 positive votes would be required for the Commission to officially recommend a legislative proposal to the General Assembly.

Prior to the meeting, staff provided a memo to the Commission providing additional fiscal impact estimates for various proposals for addressing the funding problems associated with the Indiana Comprehensive Health Insurance Association (ICHIA) suggested at the informal meeting held on October 4 (as described in prior minutes). (See Exhibit 1.)

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<sup>1</sup> Exhibits and other materials referenced in these minutes can be inspected and copied in the Legislative Information Center in Room 230 of the State House in Indianapolis, Indiana. Requests for copies may be mailed to the Legislative Information Center, Legislative Services Agency, 200 West Washington Street, Indianapolis, IN 46204-2789. A fee of \$0.15 per page and mailing costs will be charged for copies. These minutes are also available on the Internet at the General Assembly homepage. The URL address of the General Assembly homepage is <http://www.ai.org/legislative/>. No fee is charged for viewing, downloading, or printing minutes from the Internet.

## **Consideration of Legislative Proposals**

The following bills were considered by the Commission.

### ***PD 3442 - Immunization Data Registry.***

PD 3442 (Exhibit 2) requires the State Department of Health to develop and maintain an immunization data registry using funds received from the federal Centers for Disease Control and Prevention. The bill allows the Department to delegate the authority for the development and maintenance of the registry to a for-profit or nonprofit agency that demonstrates the ability to generate funds sufficient to develop and maintain the registry. The bill also requires certain health care providers to provide immunization information to the registry. It also specifies individuals and entities to whom information in the registry may be released and that the parent or guardian of a child may elect not to have the child's immunization records released from the registry by completing and filing a written exemption form. The bill provides that unauthorized disclosure of confidential immunization data registry information is a Class A misdemeanor and, for a public employee, cause for dismissal. The bill also requires the Department to develop guidelines for providers to use in reporting immunization data to the immunization data registry.

The bill draft was discussed. Rep. Crawford commented that the Board for the Coordination of Child Care Regulation in a meeting on Monday, October 22, formally encouraged the Health Care Finance Commission to recommend passage of this bill.

The Commission adopted by consent an amendment to the draft that would require chicken pox to be added to the list of immunizations in IC 20-8.1-7-9.5 that are required for a child to enroll in a public school.

Upon a proper motion and second, the motion to recommend passage of PD 3442 passed by a vote of 16-0. Rep. Budak, Rep. Becker, and Rep. Crosby offered to introduce the bill in the House of Representatives.

### ***PD 3504 - Birth Defects Registry.***

PD 3504 (Exhibit 3) requires the State Department of Health to: (1) inform parents of children with birth problems about physicians and local community resources; (2) implement an education program to assist specified individuals in reporting birth problems; (3) review the birth records of a newborn with birth problems to verify the accuracy of the information; and (4) consult with specified persons to analyze collected birth problems data to implement policies concerning identification and prevention of birth problems.

Upon a proper motion and second, the motion to recommend passage of PD 3504 passed by a vote of 14-0. Rep. Crawford and Rep. Dillon offered to introduce the bill in the House. Sen. Gard offered to introduce the bill in the Senate.

### ***PD 3478 - Interstate Nurse Licensure Compact.***

PD 3478 (Exhibit 4) adopts the Interstate Nurse Licensure Compact to allow a registered nurse or licensed practical nurse who is licensed in another state that is a party to the Compact to practice nursing in Indiana. The bill provides that the State Board of Nursing administers the Compact.

Rep. Welch and Sen. Miller clarified the enforcement aspects of the proposal by stating that

with respect to the ability of the state to take disciplinary action against a nurse not practicing good medicine, the state would only be able to inform and provide information to the nurse's home state of licensure. Indiana could prohibit the nurse from practicing in this state, but would be unable to revoke the license of the nurse that was issued in another state. Indiana would still be able to bring criminal charges against the nurse, if warranted.

Allison Wharry, representing the Indiana Hospital and Health Association, stood in support of the bill. Earnest Klein, Indiana State Nurses Association, expressed concerns with the disciplinary features of the proposal.

Upon a proper motion and second, the motion to recommend passage of PD 3478 passed by a vote of 17-0. Rep. Welch offered to introduce the bill in the House.

#### ***PD 3484 - Self-Directed Care Services.***

PD 3484 (Exhibit 5) adds certain individuals who are not licensed health care professionals to the list of individuals allowed to provide health-related services to certain individuals who need in-home care services. The bill changes the registration period for personal services attendants from one year to two. It also repeals the July 1, 2003, expiration of the existing law concerning self-directed care services. The bill also establishes temporary bookkeeping and payroll service requirements for self-directed care recipients and requires the Division of Disability, Aging, and Rehabilitative Services to adopt rules concerning the payment and record keeping before July 1, 2003.

There was discussion as to whether to change the sunset date in the proposed draft. Ultimately, the Commission consented to vote on the proposal with no change in the sunset provision.

Susan Preble, legislative liaison for the Family and Social Services Administration, provided clarification and background information on the proposal.

Roseann Rothmann, COVOH, stood in support of the bill.

Jean MacDonald, Indiana Association for Home and Hospice Care, stated that one of the problems with the concept of self-directed care has been that individuals providing self-directed care receive about \$15 per hour for their services. At the same time, home health agencies providing the same services receive the same rate and, out of this amount, must pay for the care provider, overhead, and other expenses.

Upon a proper motion and second, the motion to recommend passage of PD 3484 passed by a vote of 17-1. Commission members suggested that Rep. Goeglein, who was unable to attend the meeting, would be interested in introducing the bill in the House.

#### ***PD 3501 - ICHIA Reporting.***

PD 3501 (Exhibit 6) requires members of the Indiana Comprehensive Health Insurance Association (ICHIA) to annually report the amount of tax credits taken against ICHIA assessments by the member during the previous calendar year. The bill also requires ICHIA to report certain information for 3 years.

After Commission discussion, members, by consent, amended the proposal to reflect a March 1 date for reporting of tax credits taken by ICHIA members.

Upon a proper motion and second, the motion to recommend passage of PD 3501 passed by a vote of 19-0. Sen. Johnson offered to introduce the bill in the Senate.

***PD 3361 - Federal Funding for ICHIA.***

PD 3361 (Exhibit 7) requires the Office of Medicaid Policy and Planning (OMPP) to apply to the United States Department of Health and Human Services for the following: (1) A grant under the Ticket to Work and Work Incentives Improvement Act of 1999 for payment of ICHIA premiums for working individuals with potentially severe disabilities. (2) A Section 1115 Demonstration Waiver to provide payment for ICHIA premiums.

Upon a proper motion and second, the motion to recommend passage of PD 3361 passed by a vote of 19-0. Rep. Becker offered to introduce the bill in the House.

***PD 3499 - Annual Actuarial Study of ICHIA.***

PD 3499 (Exhibit 8) requires ICHIA to have completed an annual actuarial study of ICHIA and to annually adjust premiums based on the actuarial study.

Upon a proper motion and second, the motion to recommend passage of PD 3499 passed by a vote of 18-1. Sen. Johnson and Sen. Craycraft offered to introduce the bill in the Senate.

***PD 3412 - Sliding Scale for ICHIA Premium Payments.***

PD 3412 (Exhibit 9) requires ICHIA to develop a sliding scale to establish the percentage of premium payments made for an Association policy by an insured and by a third party.

Jim Bucher, OASYS, Inc., administrators of ICHIA, responded to a question stating that Kentucky and Colorado don't allow third-party contributions to insureds' premiums at all in their high-risk pools.

Upon a proper motion and second, the motion to recommend passage of PD 3412 passed by a vote of 15-4. Rep. Frizzell offered to introduce the bill in the House.

***PD 3498 - ICHIA Assessments.***

PD 3498 (Exhibit 10) provides for assessments of reinsurers and stop-loss insurers by ICHIA. The bill also specifies that assessments are based on the proportion of a member's share of the total number of individuals with health coverage.

After Commission discussion, the effective date of the bill was amended by consent to January 1, 2003.

Upon a proper motion and second, the motion to recommend passage of PD 3498 passed by a vote of 18-0. Sen. Miller offered to introduce the bill in the Senate.

***Document 20021474.001 (LS 6163) - Nurse Shortage.***

This proposal (Exhibit 11) requires the Indiana Commission on Excellence in Health Care to

study and make recommendations concerning increasing the number of nurses.

Upon a proper motion and second, the motion to recommend passage of LS 6163 passed by a vote of 18-0. Rep. Pelath and Rep. Budak offered to introduce the bill in the House.

### ***PD 3503 - State University Health Provider Education.***

PD 3503 (Exhibit 12) prohibits state educational institutions from discontinuing an academic program or other course of study concerning specified health care professions unless the institution receives the Legislative Council's approval. The bill states that the Commission for Higher Education does not have the authority to remove an academic program from a specified list of programs or degrees.

After Commission discussion, no vote was taken on the proposal.

## **Consideration of the Final Report**

Commission members discussed two recommendations to include in the final report of the Commission.

(1) The Commission recommends that the state should aggressively encourage the utilization of three-year diploma nursing programs as a method to increase the available supply of nurses.

After Commission discussion and upon a proper motion and second, the motion to approve this recommendation passed by a vote of 17-0.

(2) The Commission requests that the Prescription Drug Program provide a written annual report and oral quarterly reports to the Commission regarding the progress of the program in providing access to needed pharmaceuticals by Indiana's low-income senior citizens.

This recommendation was approved for inclusion in the final report by consent. Upon a proper motion and second, the motion to adopt the final report with the addition of the two recommendations passed by a vote of 19-0.

## **Other Business**

Rep. Budak raised the issue of the recent increase in nursing fees from \$20 to \$50 and all of the fee increase going to the state General Fund, rather than back to programs that benefit the nursing profession.

Earnest Klein, Indiana State Nurses Association (ISNA), stated that more fees are raised by nurse licensing fees alone than the entire budget of the Health Professions Bureau.

Jean MacDonald, Indiana Association for Home and Hospice Care, stated that she had recently spoken at an ISNA meeting, and most of the nurses were under the impression that the majority of the fee increase would be going to help nursing programs, rather than the state General Fund.

No further action was taken on this issue.

Sen. Miller thanked the Commission members for their work during the interim. There being no further business to conduct, Sen. Miller adjourned the meeting at about 2:35 p.m.